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PUBLIC SERVICE
COMMISSION

January 20, 2015

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

Re: CASE NO. 2014-00477

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION

TO KENTUCKY FRONTIER GAS, LLC

Dear Mr. Derouen:

Kentucky Frontier Gas, LLC, is filing with the Commission an original and five copies of requested information in Case No. 2014-00477. Please see attached **KENTUCKY FRONTIER GAS, LLC'S RESPONSES TO THE COMMISSION'S FIRST REQUEST FOR INFORMATION**.

If you have any questions, please call me at 303-422-3400.

Sincerely,

KENTUCKY FRONTIER GAS, LLC

lennes Homes

Dennis Horner

Enclosures

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PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF KENTUCKY FRONTIER GAS, LLC

Case No. 2014-00477

KENTUCKY FRONTIER GAS, LLC'S RESPONSES

TO THE COMMISSION'S FIRST REQUEST FOR INFORMATION

JANUARY 20, 2015

KENTUCKY FRONTIER GAS, LLC'S RESPONSES TO THE COMMISSION'S FIRST REQUEST FOR INFORMATION

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CERTIFICATION

DECLARATION OF DENNIS HORNER

I, Dennis Horner, am a representative of Kentucky Frontier Gas, LLC and the preparer of the responses in the referenced matter. The facts set forth therein are true and correct to the best of my knowledge, information and belief.

Pursuant to KRS 523.020-040, I certify under penalty of false swearing that the foregoing is true and correct.

Dated this 20th day of January, 2015

Henris Horner

Dennis Horner

Kentucky Frontier Gas, LLC

Refer to the cover letter of the Application. 1.

a. Provide details concerning the incidents of damaged lines due to road projects from

April 2013 through December 31, 2014. The information provided should include, but

not limited to, the number of incidents per month and an estimate of gas loss per month

resulting from the damage incidents.

Provide an estimate of where Frontier expects pipe replacements to occur in 2015,

and how much pipe it expects to replace.

Given the amount of pipe Frontier expects to replace in 2015 and beyond, provide

Frontier's best estimate of when line losses will decrease to 5 percent or less.

Witness: Horner

RESPONSE:

(1.a) From April 2013 through December 31, 2014 there were 38 unreportable

losses and one reportable loss due to "dig-ins". Dig-in incidents average two per

month with an average loss of 36 Mcf/month. Other reportable incidents include a

failed fusion joint resulting in a loss of 30,000 Mcf. The failed fusion joint went

unnoticed due to a delay in purchased gas billing of over four months from EQT.

(1.b) Frontier conducted aerial leak surveys in 2014 to identify problem areas.

The data from that survey are being confirmed by flame pack surveys currently

under way. Based on survey data, Frontier will focus its 2015 Pipe Replacement

Plan (PRP) on three areas. Those areas include Belfry (~8,000 feet), Magoffin

County (~6,000 feet) and Phelps (~1,000).

(1.c) In the third quarter of 2014, approximately 8,000 feet of pipe replacement

occurred in the Belfry area in a section with several known leaks which should

make a noticeable difference in Belfry's L&U going forward. Frontier estimates it may take three or four more years to reduce the system wide L&U to 5 percent.

2. Refer to Schedule IV, the Actual Adjustment calculation. Provide actual sales volumes for August, September and October 2014.

Witness: Horner

RESPONSE:

Actual sales volumes: August was 5,512 Mcf, September was 6,889 Mcf and October was 13,586 Mcf.

Refer to Schedule V, the Balance Adjustment calculation. Confirm that the

(\$13,967) total cost difference used to calculate the Balance Adjustment is the actual

over-recovered gas cost from May, June and July 2013, as opposed to the (\$18,802)

over-recovered gas cost calculated in Case No. 2013-00364 using the percent line loss

limiter for June.

Witness: Horner

RESPONSE:

The (\$13,967) total cost difference is calculated without the 5 percent limiter. The

(\$18,802) total cost difference is calculated with the 5 percent limiter.

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